ASSEMBLY BILL NO. 417–ASSEMBLYMAN SEGERBLOM

MARCH 21, 2011

Referred to Committee on Taxation

SUMMARY—Excludes certain golf courses from being designated as open-space real property under applicable zoning ordinances. (BDR 32-130)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

AN ACT relating to the taxation of property; excluding certain golf courses from being designated as open-space real property under applicable zoning ordinances; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Under existing law, property used as a golf course must be assessed as open-space real property for property tax purposes. (NRS 361A.170) This bill requires a golf course to be designated as open-space real property under any applicable zoning ordinance unless the golf course is located in a common-interest community or planned unit development, or is operated in conjunction with and adjacent to a resort hotel.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** NRS 361A.170 is hereby amended to read as follows:

361A.170 1. Property used as a golf course is hereby designated and classified as open-space real property and must be assessed as an open-space use.

2. ***Property assessed as open-space real property pursuant to subsection 1 must be designated as open-space real property under any applicable zoning ordinance, unless the property is:***

***(a) Located in a common-interest community or planned unit development; or***

***(b) Operated in conjunction with and adjacent to a resort hotel as defined in NRS 463.01865.***

***3.*** Land ~~[regarding]~~ which the owner has granted and has outstanding a lease of surface water rights appurtenant to the property to a political subdivision of this State for a municipal use, if the land was agricultural real property at the time the lease was granted, is hereby designated and classified as open-space real property and must be assessed as an open-space use.

~~[3.]~~ ***4.*** In addition to the designation and classification of property as open-space real property pursuant to subsections 1 ~~[and 2,]~~ ***, 2 and 3,*** the governing body of each city or county shall, from time to time, specify by resolution additional designations or classifications under its master plan that are designed to promote the conservation of open space, the maintenance of natural features for control of floods and the protection of other natural and scenic resources from unreasonable impairment.

~~[4.]~~ ***5.*** The board of county commissioners shall, from time to time, adopt by ordinance procedures and criteria which must be used in considering an application for open-space use assessment based on a designation or classification adopted pursuant to subsection ~~[3.]~~ ***4.*** The criteria may include requirements respecting public access to and the minimum size of the property.

**Sec. 2.** NRS 361A.180 is hereby amended to read as follows:

361A.180 Any owner of real property may apply to the county assessor for open-space use assessment based on a designation or classification adopted pursuant to subsection ~~[3]~~ ***4*** of NRS 361A.170 and the payment of taxes on such property as provided in this chapter.

**Sec. 3.** NRS 361A.230 is hereby amended to read as follows:

361A.230 1. The county assessor shall enter on the assessment roll the valuation based on open-space use until the property becomes disqualified for open-space use assessment by:

(a) Sale or transfer to an owner making it exempt from ad valorem property taxation;

(b) Removal of the open-space use assessment by the assessor, with the concurrence of the board ~~[,]~~ ***of county commissioners,*** upon discovery that the property is no longer in the open-space use;

(c) If the open-space use assessment is based on the designation and classification of the property pursuant to ~~[subsection]~~ ***subsections*** 1 ***and 2*** of NRS 361A.170, the cessation of the use of the property for golfing or golfing practice, except for:

(1) A seasonal closure of the property to such use;

(2) A temporary closure of the property for maintenance or repairs; or

(3) A temporary closure of the property, upon notification of the county assessor, for not more than 12 months for any other purpose that is incidental to such use or necessary for the continuation of such use; or

(d) If the open-space use assessment is based on a designation or classification adopted pursuant to subsection ~~[3]~~ ***4*** of NRS 361A.170:

(1) Notification by the applicant to the assessor to remove the open-space use assessment; or

(2) Failure to file a new application as provided in NRS 361A.190.

2. Except as otherwise provided in paragraph (a) of subsection 1, the sale or transfer to a new owner or transfer by reason of death of a former owner does not operate to disqualify open-space real property from open-space use assessment so long as the property continues to be used exclusively for an open-space use. If the open-space use assessment is based on a designation or classification adopted pursuant to subsection ~~[3]~~ ***4*** of NRS 361A.170, the new owner must apply for open-space use assessment in the manner provided in NRS 361A.190.

3. Whenever open-space real property becomes disqualified under subsection 1, the county assessor shall send a written notice of disqualification by certified mail with return receipt requested to each owner of record. The notice must contain the assessed value for the ensuing fiscal year.

**Sec. 4.** NRS 361A.240 is hereby amended to read as follows:

361A.240 1. The determination of use and the open-space use assessment in each year are final unless appealed.

2. If the application for an open-space use assessment is based on a designation or classification adopted pursuant to subsection ~~[3]~~ ***4*** of NRS 361A.170, the applicant for the open-space assessment is entitled to:

(a) Appeal the determination made by the board of county commissioners to the district court in the county where the property is located, or if located in more than one county, in the county in which the major portion of the property is located, as provided in NRS 278.0235.

(b) Equalization of the open-space use assessment in the manner provided in chapter 361 of NRS for complaints of overvaluation, excessive valuation or undervaluation.

**Sec. 5.** Each local government whose jurisdiction for zoning purposes includes one or more golf courses with a zoning designation that is not in compliance with the provisions of NRS 361A.170, as amended by this section 1 of this act, shall take such actions as are necessary to conform each such zoning designation as soon as practicable after the effective date of this act.

**Sec. 6.** This act becomes effective upon passage and approval.